

ORIGINAL

WS-01302A-14-0010

Debra Scordato

From: Janelle McDonald <janelle4887@gmail.com>
Sent: Monday, February 16, 2015 12:36 PM
To: Forese-Web
Subject: My concern regarding proposed EPCOR rate hike



Dear Commissioner:

I am an Epcor Water customer in the Tubac district, and I am extremely concerned about the proposed rate increase. I hope you will do whatever is within your power to ensure that our water rates do not increase too drastically.

Although I conserve water, my monthly bill is already considerably higher than bills in other Epcor districts. Considering that I use less water than the average consumer, I would expect my bill to be lower. Instead, I pay far more. This is unfair. The proposed increase, if approved, would leave me paying 400% more for my water than a customer in Paradise Valley will pay. This is simply not fair.

I would like to see Epcor consolidate their districts and charge one rate to all their customers. This seems fair and equitable. I believe it is your responsibility as an Arizona Corporation Commissioner to ensure that I pay an equitable share of my public utilities — water included. Please do your best to ensure that this happens.

Thank you in advance for your attention to this extremely important matter.

Janelle McDonald
Tubac Epcor Customer

Arizona Corporation Commission
DOCKETED
APR 13 2015

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2015 APR 13 P 3:31
AZ CORP COMMISSION
DOCKET CONTROL

Debra Scordato

WS-01303A-14-0010

From: E C Shute Jr <travelshutes@gmail.com>
Sent: Saturday, March 07, 2015 9:26 AM
To: Forese-Web
Subject: Epcor request for 66% rate increase in Tubac

Dear Commissioner,

We are Epcor customers in Tubac and are writing to object to the proposed 66% rate increase. As we calculate it, if the rate request were to be approved we would see an average increase of \$40 per month in our monthly bills. We are on a fixed income, as are many in this community. Such an increase would require us to reduce expenditures elsewhere in our budget. We have lived many places during our adult lives and have never seen a utility rate increase of this scale. It is truly extraordinary, unfair and an overreach by the company. It knew when it acquired the Tubac area as part of a larger acquisition that there is a small customer base which would never generate sufficient revenue to cover expenses on a stand alone basis. It should not be able to make up for its poor business decision on the backs of the ratepayers in Tubac.

As we understand it, Tubac customers already pay significantly more than water users in other small water districts in the State. The 66% increase being requested only exacerbates the unfairness Tubac customers would experience compared to similar communities. The solution is some form of consolidation to spread costs over a larger base and not the huge rate increase being requested.

Thank you for your consideration of our concerns.

Sharie and Clement Shute

Debra Scordato

WS-01303A-14-0010

From: Warren Tyler <twrose85@gmail.com>
Sent: Sunday, March 08, 2015 9:43 PM
To: Forese-Web
Subject: Epcor Water - Tubac rate case

Commissioner Tom Forese
Arizona Corporation Commission

Dear Commissioner Forese,

We are residents of Tubac, Arizona, of long standing. The proposal of Epcor to raise our water rates is an outrage and has no factual basis to support such a move.

When Epcor purchased the The Tubac Water District from Arizona American Water, they had full knowledge of the (now resolved) water quality problems. We have paid for the work that was done and now they want us to keep paying in the form of an increased rate that will go on forever, until they ask for an even higher rate. This is the typical scam of utilities everywhere and we citizens depend on our regulatory commissions to keep them in check.

What is needed is a principle to be advanced by yourselves to level the rate charged over the consolidated districts served (?) by Epcor.

We will look to you for protection from the predatory practices of Utility providers across the board.

Sincerely,

Warren and Rose Tyler
18 Latigo Lane
Tubac, AZ 85646

Debra Scordato

WS-01303A-14-0010

From: rmlovely@aol.com
Sent: Saturday, March 07, 2015 12:27 PM
To: Forese-Web
Subject: Fwd: Epcor Arizona - Tubac Rate Case

-----Original Message-----

From: rmlovely <rmlovely@aol.com>
To: Little-web <Little-web@azcc.gov>
Sent: Sat, Mar 7, 2015 12:25 pm
Subject: Fwd: Epcor Arizona - Tubac Rate Case

-----Original Message-----

From: rmlovely <rmlovely@aol.com>
To: RBurns-web <RBurns-web@azcc.gov>
Sent: Sat, Mar 7, 2015 12:23 pm
Subject: Fwd: Epcor Arizona - Tubac Rate Case

-----Original Message-----

From: rmlovely <rmlovely@aol.com>
To: BitterSmith-web <BitterSmith-web@azcc.gov>
Sent: Sat, Mar 7, 2015 12:21 pm
Subject: Epcor WaArizona - Tubac Rate Case

We arrived in Tubac in June 2002 and tried to get permission to build a well as we considered the water rates at that time were very high. Our request was denied.

Now Epcor is proposing to increase our rates by 66.57%. Epcor knew full well when they purchased the Tubac Water District from AAW that revenue didn't cover expenses unless they increased the rates. So why did they buy it? With this increase Tubac customers will be paying 3.7 times what Paradise Valley and Sun City customers pay for 5/8 inch metered water.

And, It seems that Epcor has no incentive to cut costs. When we first arrived in Tubac AAW had one lady and truck servicing the area. Now we have several trucks and personnel doing the same job. Why not read meters every two months to cut costs and get rid of some of the overhead. Or do they consider they have a monopoly and can do as they pleas?.

We are requesting The Arizona Corporation Commission to deny Epcor this 66.57% increase and see that Tubac, Arizona residents pay an equitable amount for utilities.

Thank you.

Debra Scordato

WS-01303A-14-0010

From: Jan Delaney <jandelaney111@gmail.com>
Sent: Saturday, March 07, 2015 11:17 AM
To: Forese-Web
Subject: EPCOR WATER RATE INCREASE / RATE SHOCK

I am outraged to learn that Epcor water is planning to increase water rates by 66.57%!

I have not received a 66.57% increase in my Social Security check.

Please deal with this matter in a fair and equitable manner for the citizens of Tubac, Az.

Thank you.

Janet Delaney

76 Palmas Court, Tubac, Az 85646

From: Anne Moore <djasmoore@gmail.com>
Sent: Wednesday, March 04, 2015 7:17 PM
To: Forese-Web
Subject: Proposed rate increase for Tubac Water District

To Commissioner Tom Forese:

I am writing to respectfully question the amount of the proposed rate increase, the disparity in such a proposed rate vis-a-vis other communities, and to protest the validity of this move at this time.

The huge percentage of the increase, 88%, would more than double our monthly bill. We are a retired couple in our 80's living on a fixed income, year round, in a modest (for Tubac) four-room home. It would be extremely difficult to absorb such a rate increase ALL OF A SUDDEN, as you would ask us to do. The question is - why this sudden leap in a rate, when management should have been able to foresee such a need and adjust rate increases over a period of time?

The second point has to do with the fairness of the proposed increase for Tubac residents. We are told that your customers in other communities would pay substantially less, e.g. three or four times less of an increase for the same water use than what you are asking Tubac residents to pay. I refer specifically to Mohave, Paradise Valley, and Sun City. Why? Epcor has always been aware that the residents of the old Tubac Water District are a smaller customer base than the huge communities mentioned above, but they went ahead with the purchase anyway thereby assuming responsibility for fair treatment for all their customers, or they should have.

I understand that Tubac already is paying more for their water than many other Arizona communities. Would you not agree that this is an appropriate time to adjust this disparity and, if indeed a water rate increase is absolutely necessary and justifiable, to raise the rates equitably across the board so that every community pays its fair share? Quite frankly, I don't understand why this is not your proposal. It should be.

Anne and Donald Moore
77 Otero Rd., Tubac AZ 85646

Debra Scordato

WS-01303A-14-0010

From: Thomas Potter <tpotter_10@hotmail.com>
Sent: Friday, March 06, 2015 8:30 AM
To: Forese-Web
Subject: Tubac Water Rate Hike

Commissioner Tom Forese
Arizona Corporate Commission

Dear Commissioner,

My name is Tom Potter and I am a resident of Tubac, Arizona. I have owned a residence in Tubac since 1996.

I'm writing to you with regard to the proposed rate hike for the Tubac water district which EPCOR has requested. The issues in this proposed rate hike are well known. They are the same issues that existed when Arizona – American Water Company owned the system. I wrote to you when they requested a rate hike and not much has changed except that Tubac residents continue to pay a disproportionate and an inequitable rate for their water.

The solution is also clear. It is incumbent on the Arizona Corporation Commission to compel a consolidation of all of the small water companies owned by EPCOR. Consolidating the small companies into one larger company would have very little impact on the existing larger companies, e.g. Sun City and others, but it would have a major impact on holding the line on the water rates that Tubac residents pay. I speak only for myself, but I think my co-residents agree, we have no problem in paying a reasonable rate for our water. We do have a problem with paying an exorbitant rate, which would result if the proposed rate hike were to be approved.

You should know already that the imposition of the proposed rate hike would be the beginning of a death spiral for the Tubac water company. Rates at the level suggested would cause a number of Tubac residents to drill their own water wells. The diminished rate base would cause EPCOR to again miss their rate of return objectives, thus causing them to request another rate increase, which would again cause a number of Tubac residents to drill their own water wells. Perhaps this is the cynical objective that EPCOR seeks, but I would like to thank that they are more responsible citizens than that.

The residents of Tubac are well-educated and of a higher than average income level, even in retirement. I am not a politician, thankfully, but I strongly suspect that the inequitable rate increase proposed, if approved, would stimulate the residents of Tubac to mount a significant campaign to reach our legislature and administration.

Please use your existing powers, your reason, and your public duty to help EPCOR create a reasonable water distribution system in Tubac. Thank you for your public service.

Sincerely yours,
Thomas D Potter

Debra Scordato

WS-01303A-14-0010

From: Susan Maurer <smaureraz@msn.com>
Sent: Wednesday, March 04, 2015 2:41 PM
To: Forese-Web
Subject: EPCOR Water Arizona - Tubac Rate Case

Dear Commissioner Forese:

We are writing today to ask you to please deny the proposed water rate increase sought by EPCOR. We are senior citizen residents in Tubac, Az. and the proposal to raise our water rates by 88% is unnecessarily punitive to our small community. To have our bills increase from about \$55.00 to over \$100.00 per month would wreak havoc with our finances and cause significant hardship to the families in our community. How can such a rate request be justifiable? For many reasons it does not seem likely that it is.

When EPCOR purchased this district from Arizona American Water, the company was well aware of the small customer base in Tubac and the fact that the profit here would never be that of the larger water districts, which are also run by the company. For them to come back and argue for this outrageous increase defies the logic of the business decision they made in acquiring it.

It should be remembered that there are many districts under EPCOR management and that each district has unique circumstances and characteristics. Why should residents of Tubac be required to pay 3 or 4 TIMES what the residents of EPCOR's other districts pay? For the overall company to be profitable, it should NOT be necessary to make each individual district its own profit center. By consolidating the rates, Tubac would benefit from the balancing effect of the rates paid by the larger communities. The rates which those other districts pay is already tremendously lower than that paid in our small town. That in itself is unfair.

We ask the you and the ACC ensure that the residents of Arizona are treated equitably in matters of utility costs. Please take the necessary action to see that EPCOR stands with ALL its customers in providing water at fair and balanced manner. We in Tubac cannot and should not withstand the financial difficulty posed by this current proposal.

Thank you for your attention.

Susan and Robert Maurer
Tubac, Arizona

Debra Scordato

WS-01303A-14-0010

From: Richard Way <richard@granitemining.com>
Sent: Wednesday, March 04, 2015 10:19 PM
To: Forese-Web
Subject: EPCOR Tubac Water Rate Increase

Dear Commissioner Forese,

The size of the proposed water rate increase by EPCOR for the Tubac district is totally unreasonable. The values of our properties in this district have already suffered due to the economy and the proximity of the U.S. Border Patrol checkpoint on I-19. To approve a water rate increase of the magnitude that EPCOR has requested would further hurt home sales in our area. As a business owner, I would submit that EPCOR, in their process of acquiring the various water districts from Arizona American Water, was fully aware of the profit or losses associated with each district in the purchase package and based their decision on the total package. If Tubac's rates per thousand gallons were below those of the Mohave, Paradise Valley, and Sun City, one could justify an equalizing rate increase but that is not the case. Anything short of an across the board rate increase to reflect the costs of inflation seems totally inappropriate. Perhaps a better avenue for EPCOR would be to sell the Tubac water district.

Respectfully,
Richard A. Way

Debra Scordato

From: Susan Maurer <smaureraz@msn.com>
Sent: Wednesday, March 04, 2015 2:41 PM
To: Forese-Web
Subject: EPCOR Water Arizona - Tubac Rate Case

WS-01303A-14-0010

Dear Commissioner Forese:

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When EPCOR purchased this district from Arizona American Water, the company was well aware of the small customer base in Tubac and the fact that the profit here would never be that of the larger water districts, which are also run by the company. For them to come back and argue for this outrageous increase defies the logic of the business decision they made in acquiring it.

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We ask the you and the ACC ensure that the residents of Arizona are treated equitably in matters of utility costs. Please take the necessary action to see that EPCOR stands with ALL its customers in providing water at fair and balanced manner. We in Tubac cannot and should not withstand the financial difficulty posed by this current proposal.

Thank you for your attention.

Susan and Robert Maurer
Tubac, Arizona

Debra Scordato

WS-01303A-14-0010

From: Carl Hunter <kandcarl7@gmail.com>
Sent: Friday, March 06, 2015 11:26 AM
To: Stump-Web; Little-Web; Forese-Web
Subject: EPCOR WATER ARIZONA -- Tubac Rate Case

Dear Commissioner,

For EPCOR to increase water rates by 66.57% for Tubac residential customers is an unsettling amount. If you find that this is a justified rate increase, please direct EPCOR to phase it in over a 3 to 5 year plan.

Thank you.

Sincerely,

Kathryn N. Hunter
7 Tubatama/P.O. Box 4188
Tubac, AZ 85646

Debra Scordato

WS-01303A-14-0010

From: scrayhill@aol.com
Sent: Thursday, March 05, 2015 11:21 AM
To: Forese-Web
Subject: Re: Epcor Water -- Tubac Rate Case

Dear Mr. Forese,

We wish to add our objections to EPCOR's request for an 88% rate increase for our water rates here in the Tubac community. While we all realize that most costs continue to rise, this amount of increase is difficult to understand and is a great burden to the monthly budget of this retired couple. I believe that you, as a member of the Arizona Corporation Commission, should be able to find a way of ameliorating this sizable increase. Because of Tubac's small number of water customers, we feel we are being harshly treated relative to the rest of the citizens of Arizona. Perhaps EPCOR should combine all its various service areas and treat its citizens uniformly as one service area.

Thank you for listening,

Richard and Betty Griese
P.O Box 4721
Tubac, AZ 85646